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25X1A2g

COUNTRY: Ceylon/China

CIA

SUBJECT: New Trade Pact Negotiations Concluded

DATE

DATE ACQUIRED: Oct 53

DATE OF  
INFORMATION: Sep 53 and earlier

25X6A

SOURCE:

25X6A

1. "Negotiations have been concluded for the exchange of rubber and rice between Ceylon and Communist China for the second year. China has agreed to buy Ceylon's sheet rubber at 28 pence per pound (about 60% above average Singapore prices) and in return sell Chinese rice at £ 49 per ton, representing a fall of 12-1/2% in the case of rubber and about 9% in the case of rice. The agreement is said to have made possible the Ceylon Government's decision to reduce the price of rationed rice by about 22%. This follows an earlier decision, slashing the rice subsidy which more than doubled the rice prices and touched off island-wide demonstrations."

-end-

*July*

*Area*

TYPE ACT-DATE INFO-TFR-DATE AREA

30-46.1 } to

276-38.3

36 53 1 —

30-47.5 } both

272

— 53 —

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